## TRADE TO SERVICE TO SE

## U.S. TRADE AND DEVELOPMENT AGENCY

August 18, 2000

Jacob J. Lew, Director Office of Management and Budget Room 6002 NEOB 725 17th Street, NW Washington, DC 20503

Dear Mr. Lew:

This letter is in response to OMB Memorandum M-00- 11 and Transmittal Memorandum No. 20 for Circular A-76 that describes the ongoing requirement of Federal agencies to prepare and submit inventories of commercial activities performed by Federal employees as required by the Federal Activities Inventory Reform Act of 1998 ("The FAIR Act").

After a thorough review, we have determined that we have no commercial activities performed by in-house employees. As a part of this process we developed a list of commercial activities we require, e.g., library services, security systems, financial auditing, even vending machines, to name a few. All of the services on the list were and continue to be procured from sources outside the agency. What remain are the inherently governmental functions of managing our agency, deciding on program priorities, grant and contract management, and control of appropriated and other Federal funds.

Because of our size (43 FTEs), and as an independent agency with complete operational responsibilities we are in a position of having to cross-service or contract for all of our commercial activities. As a result we have nothing to place on an inventory required by "The FAIR Act". In addition, we have had no FAIR Act administrative challenges or appeals since our last report.

Sincerely,

J. Joseph Grandmaison

le grandmais

Director